UNITED STATES DISTRICT COURT FOR THE DISTRICT OF RHODE ISLAND

STATE OF RHODE ISLAND; et al.,

Plaintiffs,

v.

DONALD J. TRUMP, et al.,

C.A. No.:

Defendants.

DECLARATION OF ALEX DOE

Pursuant to 28 U.S.C. § 1746, I, Alex Doe, hereby declare as follows:

- 1. I am currently employed by the Minority Business Development Agency (MBDA).

 I am over the age of 18 and have personal knowledge of all the facts stated herein, except those matters stated upon information and belief; as to those matters, I believe them to be true.
- 2. I am submitting this declaration pseudonymously because I fear retaliation. But if the Court would like to know my name or job position, I would be willing to provide it ex parte and under seal.
- 3. I submit this declaration in connection with Executive Order 14,238, "Continuing the Reduction of the Federal Bureaucracy," which directed seven federal agencies, including the MBDA, to eliminate any non-statutory components and functions to the maximum extent consistent with applicable law, and to reduce the performance of any statutory functions and associate personnel to the minimum presence and function required by law.

- 4. Currently, the MBDA is budgeted to have a staff of approximately 75 employees. Prior to the issuance of this executive order on March 14, approximately 40 individuals were working at the MBDA.
- 5. Following the issuance of the executive order on March 14, the MBDA placed all but three employees on paid administrative leave. The only employees who were not placed on administrative leave were the Deputy Under Secretary of Commerce for Minority Business Development, the Chief Operating Officer, and the Chief of the Office of Legislative, Education, and Intergovernmental Affairs. Since that date, two additional employes have also begun working at the agency.
- 6. On March 21, 2025, MBDA sent a notice stating that it was initiating a reduction in force (RIF) for the MBDA. On information and belief, I understand that this RIF will likely result in the termination of all General Schedule (GS)-level employees at the MBDA within 30 days of the notice. All but three MBDA employees currently on administrative leave are GS-level.
- 7. The remaining 5 employees working at the MBDA will not be capable of carrying out the MBDA's statutorily mandated functions, administering its existing programs, or spending its appropriated funds.
- 8. The MBDA currently administers a portfolio of more than 100 grants. All grants to minority business centers and specialty business centers are scheduled to terminate on June 30. All grants to specialty colleges and universities are scheduled to terminate on August 30.
- 9. It is not possible for five employees to monitor the existing portfolio of grants for waste, fraud, and abuse, or to ensure that they are being used for authorized purposes consistent with the grant award. Administration of these grants requires consistent contact with grantees to

monitor and evaluate grantee performance, train, conduct site-visits, and to ensure compliance with the terms and conditions governing the grants.

- 10. It will be particularly difficult for five employees to adequately monitor existing grants because, the MBDA allowed its contract with Salesforce to expire. Salesforce is the performance-management platform that MBDA previously used to track grantee performance and monitor how grant funds were being used. Without this platform it will be extremely challenging for MBDA to monitor grantee performance, especially with a skeleton staff.
- 11. In addition, it will not be possible for five employees to issue new grants awards by the time the existing grants expire. To award new grants, the MBDA must initiate a grant competition that runs for 60 days. Following the conclusion of that 60-day period, MBDA staff must conduct an initial review of proposals, assemble a peer review panel consisting of 3 individuals; one being a federal employee, evaluate the grant applications, and then select the awardees. This process typically takes roughly four months even when the MBDA is fully staffed. The MBDA has not initiated any grant competitions for the grants that are scheduled to expire on June 30 or August 30. Even if a grant competition were initiated tomorrow, it would not be feasible for a skeleton crew of five staff to conclude the awards process in four months, let alone in less than 90 days. As a result, minority business development centers and specialty business centers are likely to see their grants lapse of June 30. And it is likely that other grant recipients will see their grants lapse on August 30.
- 12. In addition, it is highly unlikely that MBDA will be able to award grants in a timely enough manner to obligate all of the funds that Congress has appropriated for fiscal year 2025. Because no new grant competitions have been initiated, and because it is not feasible that a staff of five individuals could issue new grant awards in less than four months, it is unlikely that any

new awards will be issued until August, at the earliest. On information and belief, the award of grants in August will not leave adequate time for the MBDA to obligate all of its appropriated funds before the conclusion of the fiscal year on September 30.

- 13. MBDA has also taken other steps to effectively close the agency. The agency has taken down grant solicitations for its MBDA Rural Business Center Program—a statutorily required program—and the MBDA's Women Entrepreneurship Program. MBDA has ceased sharing information with stakeholders and accepting speaking engagements. It has also eliminated its Minority Business Center Advisory Council and declined to schedule its annual Forum on Capital Formation. In addition, it has placed on administrative leave all staff responsible for its informational clearinghouse—a statutorily mandated activity to collect and share data on minority business enterprises.
- 14. Based on the foregoing, although the Administration has nominally left a skeleton staff in place at the MBDA, the Administration has effectively closed the Minority Business Development Agency. The agency is no longer fulfilling its statutorily mandated functions or spending all of the funds appropriated by Congress.

I declare under penalty of perjury under the laws of the United States that, to the best of my knowledge, the foregoing is true and correct. Executed on April 3, 2025.

/s/ Alex Doe Alex Doe